

DRAFT COAG COMMUNIQUÉ

The Council of Australian Governments held its 36th meeting today in Canberra. It was the first meeting for the Prime Minister of Australia, the Hon Tony Abbott MP.

The Commonwealth respects the States and Territories (the States) are sovereign in their own sphere. They should be able to get on with delivering on their responsibilities, with appropriate accountability and without unnecessary interference from the Commonwealth.

COAG agreed to work closely together on the Commonwealth White Papers on Taxation and Reform of the Federation and acknowledged the need to reduce duplication between governments.

In future, COAG will focus on a few important national priorities, and on outcomes rather than process.

It will meet twice a year, usually around April and November.

IMPROVING PRODUCTIVITY

Lifting Australia's productivity will be a major, ongoing focus of COAG.

Without a significant rebound in productivity growth, national income growth will slow dramatically over the coming decade. This will impact on the living standards and wellbeing of all Australians.

Infrastructure

Infrastructure is the backbone of a competitive, productive and growing economy. Better infrastructure means new and better services and more effective and efficient transport and freight across Australia.

COAG commissioned urgent work on infrastructure, including:

- practical options to accelerate project delivery, including how planning and approval timeframes can be fast-tracked;
- advice on the next major transport reforms, including proposals for heavy vehicle charging and investment reform;
- options to increase private sector investment in infrastructure projects; and
- ways to prioritise projects that improve productivity or unlock economic growth potential including in regional economies.

Deregulation

Unnecessary regulation is holding back Australia's economic prosperity and development. Cutting excessive red tape and improving the efficiency and effectiveness of regulation are important parts of the productivity story.

The Commonwealth has set itself a target of reducing the red tape which impacts on business, individuals and the community by at least \$1 billion per year. This complements existing State deregulation activity.

All governments agreed to work in their own jurisdictions to improve regulation and remove unnecessary red tape.

They also agreed to work bilaterally to implement 'one-stop-shops' for environmental approvals in each State.

COAG will work together on reducing red tape in four areas — manufacturing, higher education, early childhood and 'end-to-end' regulation of small businesses, with each State to target specific small business sectors.

Running a cafe that serves alcohol and provides outdoor dining illustrates Australia's current problems with regulation. For example, it can require the operator to navigate around 21 local, 29 State and 25 Commonwealth regulations, or sets of regulations — 75 hoops to jump through.

All governments acknowledged this is not good enough, and that collective action is needed to remove the excessive burden currently placed on small business.

COAG also agreed to consider workplace health and safety at its next meeting.

Paid Parental Leave

COAG recognised the importance of a national paid parental leave scheme to better support families following the birth of a baby.

It will help parents balance work and family life and increase women's participation. This will improve women's careers and retirement incomes and retention rates for business, thereby contributing to productivity in the broader economy.

The Commonwealth's new Paid Parental Leave scheme will be implemented from 1 July 2015. It will provide 26 weeks paid parental leave payments at a replacement wage (capped at \$75,000) and superannuation calculated at the rate of the Superannuation Guarantee.

COAG agreed that State public sector employees will be covered by the new scheme, making it a simple and truly national scheme.

Officials will work together closely on implementation arrangements and funding for the proposed Commonwealth national scheme.

The Commonwealth's intention is that States will not be financially disadvantaged and the scheme will be administratively simple.

BETTER SERVICES FOR A BETTER SOCIETY

Improving outcomes for Indigenous Australians

More needs to be done to ensure Indigenous Australians can access the same quality of services and have the same opportunities as other Australians.

There is no quick fix, and governments will need to focus on all areas of policy to make a difference, including education, health, housing, economic development and employment, in urban, regional and remote Australia.

In recent years, school attendance for Indigenous children in some areas has gone backwards. That is unacceptable.

While a lot of work is already underway across governments, COAG agreed an immediate, stronger focus is required to keep kids in schools and ensure safer communities.

COAG agreed to a range of measures to improve Indigenous school attendance, including:

- minimum school attendance benchmarks;
- publishing twice-yearly data on school attendance for all students broken down by Indigenous and non-Indigenous;
- a 'no-excuses' messaging campaign;
- support and compliance, such as truancy officers, to ensure children attend school; and
- conducting audits of attendance, including on-the-spot audits.

All governments agreed to work together on additional strategies to improve Indigenous school attendance in remote schools and communities, recognising this will lead to better outcomes.

Recognising that each State's circumstances are different, COAG agreed that some flexibility in support and compliance measures may be needed.

Indigenous Australians, like all Australians, have a right to live in communities safe from violence and abuse.

There are some remote Indigenous communities (with populations greater than 300) with no permanent police presence and where nearby police cannot respond quickly.

COAG agreed to work together to ensure these communities are safe, including through establishing a permanent police presence in some additional communities.

The National Disability Insurance Scheme

All jurisdictions reaffirmed their strong commitment to implementing the National Disability Insurance Scheme (NDIS) across Australia.

Important lessons are being learnt from the NDIS trial sites in the Hunter in NSW, the Barwon area in Victoria, South Australia and Tasmania, and they will inform full-scheme design.

COAG agreed to ask disability Ministers to report in March 2014 on progress with trials, including options to improve the implementation of the scheme and ensure the scheme operates on insurance principles to deliver positive outcomes for people with disability in a fiscally sustainable way.

COAG COUNCILS

Too much bureaucracy and red tape has grown up around COAG.

COAG agreed that its Council system should be streamlined and refocussed on COAG's priorities over the next 12–18 months.

The current 22 COAG Councils will be replaced with the following eight:

- Federal Financial Relations;
- Disability Reform;
- Transport and Infrastructure;
- Energy;
- Industry and skills;
- Law, Crime and Community Safety;
- Education; and
- Health.

Given the importance of Indigenous affairs and deregulation they will be included in the terms of reference of each Council, and considered directly by COAG as standing items.

Where there are important areas of Commonwealth and State cooperation outside the Council system, Ministers may meet on an ad hoc basis.

NATIONAL OCCUPATIONAL LICENSING SCHEME

COAG noted that, following the outcome of extensive State-based consultation, the majority of States decided not to pursue the proposed National Occupational Licensing Scheme reform. Most jurisdictions identified a number of concerns with the proposed NOLS model and potential costs. States instead decided to investigate approaches that would increase labour mobility and deliver net benefits for businesses and governments.

To this end, States agreed to work together via the Council for the Australian Federation (CAF) to develop alternative options for minimising licensing impediments to improving labour mobility and to manage the orderly disestablishment of the National Occupation Licensing Authority from early 2014.

OTHER MATTERS

Australia's automotive industry

COAG expressed disappointment at the recent decision for GM Holden to wind down its Australian automotive manufacturing operations in Victoria and South Australia by the end of 2017, and agreed that these events require an urgent response from governments.

COAG recognised the importance of Australia's automotive and broader manufacturing capability. It noted the Commonwealth, Victorian and South Australian Governments' priority and commitment to put in place a comprehensive structural adjustment and co-investment package to support affected auto industry workers, their families, businesses and regions.

COAG also recognised the substantial transition that the manufacturing sector will need to make over the coming years. An immediate priority for the new Industry and Skills Council will be to help develop cooperative joint proposals to facilitate that transition and foster internationally competitive high-end manufacturing in Australia for COAG's consideration by April 2014.

Sharing resources during bushfires and other emergencies and classification of online games for children

COAG asked the Law, Crime and Community Safety Council, to:

- review arrangements for sharing emergency services personnel across State borders during emergencies to ensure legal uncertainty regarding workplace health and safety and other obligations does not compromise the timely provision of interstate assistance; and

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- examine ways to prevent the harmful exposure of simulated gambling material to children, including through classification guidelines, due to the potential for this to put them at greater risk to develop gambling problems later in life.

Next Meeting

COAG agreed that at its next meeting it will look at schools' funding and overseas adoption of children.